

The following question was submitted by Reimbursement Consultants Inc:

**The RFP and the proposed contract calls for file reviews every quarter.** (Page 15, Attachment (A) Scope of Services: Service Requirements, item 1.)

**The purpose of this inquiry is to request the Office of Risk Management to adjust the review cycle from quarterly to every four months for the following reasons:**

The frequency of file reviews does not translate to increased reimbursements provided our goal is to maintain an orderly submission of reimbursement requests during the year to make sure all reimbursable expenses are submitted to the SIF. Currently the average time from date of file review to receiving reimbursements is approximately 9 months. Consequently, seventy-five percent (75%) or more of what ORM receives from the SIF annually year is based on the previous year's submissions.

Reviewing at four (4) month intervals rather than quarterly is more than adequate to achieve this goal and allows the vendor more time to concentrate on work of greater importance in getting claims accepted and reimbursements submitted timely. Furthermore, a four month review schedule minimizes the disruption to ORM's staff and facilities.

*Answer: The ORM is amenable to in-office reviews completed once every four months.*

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The following questions were submitted by Case Expert:

1. Who are the incumbent service providers?

*Reimbursement Consultants, Inc.*

2. What are the incumbent service provider's rates for all parts?

- a. Part 1: Reimbursement for case duly identified by contractor and assigned to contractor.

*15% identified during the contract period of 04/01/2002 to 03/31/2005.*

*12.50% identified during the contract period of 10/01/2005 - 09/30/2008.*

- b. Part 2: Reimbursement for cases identified by ORM but not accepted by the fund.

*Part 2 should read: Reimbursement for cases identified by ORM but not "yet" accepted by the fund.*

*10%*

- c. Reimbursements for cases identified by ORM and accepted by the fund.

*5%*

- 3. Can the ORM provide the number of SIF eligible claims for the last 3 years?

*In the past 3 years, Reimbursement Consultants has reviewed approximately 2900 claims 340 claims were identified as having Fund recovery potential. Approximately 260 of these have been investigated to date. 58 claims have been approved for reimbursement by the Second Injury Fund. Other claims continue to be investigated and it is anticipated that some of these will eventually be accepted by the fund.*

*Currently, ORM has 196 open second injury fund claims.*

Can the ORM provide the total amount recovered from the second injury fund for the last 3 years?

*Fiscal Year 06: \$2,586,110*

*Fiscal Year 07: \$4,567,187*

*Fiscal Year 08: \$4,737,171*

*ORM's fiscal year is from July 1 – June 30.*

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The following questions were asked by Ergonomics First LLC

The main question that I have is in regards to the contingency fee. I have not previously worked with contingency fees so want to make sure I understand everything in the Cost Proposal Form, Attachment "B".

1. Where does the \$9,000 come from that is utilized as a multiplier in all 3 parts? Is it the rounded off previous average recovery per claim?

*Yes, this is a rounded estimate based on the average reimbursement received per claim.*

2. Can you give me a high and low example or a ball park estimate of previous proposals of the \_\_\_\_\_% (Contingency Fee) for Part 1, Part 2 and Part 3?

*This information may be obtained by requesting a copy of previous proposals. These proposals are available for a \$.25 copying charge per page. Advanced payment for each page is required.*

*As an alternative, proposals can be reviewed during regular office hours (8:00 A.M. - 4:30 P.M.) by visiting the Office of Risk Management at 1201 N. Third Street, Suite G-192, Baton Rouge, LA. Please contact me to schedule a date and time if you wish to review the proposals.*

3. How do you file claims on behalf of the Louisiana Second Injury Fund? Do you go in front of a board? Does this occur monthly or quarterly or as needed?

*Claims are filed with the second injury board by written application.*

5. How do you seek collection of reimbursements due on claims accepted by the fund? Are you billing specific workman's compensation carriers or is the money coming directly out of the second injury fund?

*Once the fund accepts a claim, written request for reimbursement is made to the fund based on expenditures for the time period for which the request is made.*

6. In Attachment D, #5, In consideration of the services described above, State hereby agrees to pay the Contractor a Maximum fee of \$\_\_\_\_\_.

How can we fill in the exact maximum amount of payment, unless we would know exactly how many cases are appropriate for potential claims?

*This is in reference to the contract amount.*

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The following questions were asked by Liberty Mutual:

(1) may the TPA contact the UR management company, Corvel, about WC claims being reviewed?

*ORM will coordinate getting information from the UR vendor that may be necessary to process second injury fund claims.*

(2) will the existing approved SIF claims of ORM be transferred to the new TPA from the existing TPA?

*No.*

(3) will all pending SIF claims of ORM be transferred to the new TPA?

*No.*

(4) may ORM's WC and SIF files be transferred or reviewed electronically?

*Not all documents needed for application is maintained electronically so it will be necessary to do in-house reviews.*

(5) may the TPA conduct on-site reviews more than quarterly?

*No.*

(6) will the TPA be paid for claims that are approved by the SIF after the contract expires?

*Yes.*

(7) will payments from ORM owed to the new TPA be transmitted through electronic funds transfer (EFT)?

*Yes.*

(8) how many WC claims were filed against ORM for FY2006? FY2007? And year to date FY2008?

*FY 06: 4683*

*FY 07: 4332*

*FY 08: 4375*

*ORM's fiscal year is from July 1 – June 30.*

(9) does the contract term begin October 1, 2008 or November 1, 2008 (see differences between dates on page 10 and page 3)

*The contract start date is tentatively scheduled for November 1, 2008.*

(10) will ORM pay invoices from TPA within 30 or 60 days of their receipt?

*Within 60 days.*

(11) may one ORM-SIF potential claim have 3 distinct contingency fees? One to find it, one to file it, and one to collect the reimbursement amount?

*No.*

(12) On page 15, (No. 1 and captioned under Services and requirements) there is the statement that there are "guidelines established by ORM to identify SIF potential." how does one get a copy of those guidelines?

*The Office of Risk Management requires the successful proposer to review new and existing files to identify potential SIF claims and make application to the second injury board to seek approval SIF approval.*

*ORM further requires the successful proposer to conduct needed investigations on questionable SIF claims.*

*The successful proposer will be required to request reimbursement from the SIF on a regular basis.*

*Other requirements will be established as needed.*

(13) may a TPA identify a potential SIF claim for ORM and not have the claim referred to it for application or recovery? and

*No.*

(14) who is the present TPA for ORM for its SIF recoveries?

*Reimbursement*

*Consultants,*

*Inc.*

Furthermore, the following revisions should be made to the RFP:

- 1) There is a discrepancy in the contract term. Page 3 has November 1, 2008 in the calendar of events and page 10, term of contract has October 1, 2008.
- 2) Page 15, Attachment A, Scope of Services: Service Requirements, item 1: Allow for in-house reviews every **3 - 4 months**.
- 3) Page 16, Attachment A: Part 2 should read: Reimbursement for cases identified by ORM but not **"yet"** accepted by the fund.